

- ✓ If equipment or services that were promised in the contract are not completed by the date specified in the contract, you are entitled to a full refund of your membership fee.

TO COMPUTE A “PRO-RATED REFUND” divide the contract price by the total number of weeks in your membership and multiply the result by the number of weeks remaining in your membership.

Violations of the Law

A health club cannot legally ask you to give up any of your rights under this law. Violations of the Health Club Statute should be reported to the nearest Attorney General's Consumer Protection Division Office. If you take a health club to court over violations of this law and you win, the health club will be required to pay for your attorney and court costs.

Health Club Contracts

You must be given a written contract when you join the health club. Generally, the contract must contain:

- ✓ The name and address of the health studio operator.
- ✓ The date the contract was signed.
- ✓ A description of the club's equipment and services. If the equipment or services are going to be added in the future, the contract must include the date they will be completed. The services or equipment must be available within 12 months of when you signed the contract, unless the delay is due to war, fire, flood, or natural disaster.

- ✓ Information on the length of the contract. Clubs cannot sell “lifetime” memberships, and cannot require payments or financing for more than three years. Initiation membership fees must be paid within one year.
- ✓ The amount of initiation or membership fees, dues, and whether they can be raised. Under the law, dues cannot be raised more than once a year.
- ✓ Information on your cancellation rights.

How to Cancel a Membership

You must mail or deliver a written notice to the club saying you want to cancel. If you are cancelling under the three-day right to cancel and are mailing the notice, it must be postmarked by midnight of the third day. When mailing any cancellation notice, you should ask for a “return receipt” at the post office so you have proof the notice was received. Be sure to keep a copy of your cancellation request.

If you hand deliver the notice to the club, ask the health studio employee to initial your copy of the notice, showing it was actually received, and have it dated.

After you have properly cancelled your membership, you are under no obligation to continue making payments on your contract. However, you may still be obligated to pay the initiation fee after cancelling the membership if you financed the initiation fee and signed a non-refundable clause. You may be relieved of the obligation to pay dues but must continue paying the initiation fee in installments until it has been paid in full.

For Further Information

The Attorney General's Office provides information and informal mediation to consumers and businesses. If you have a question or want assistance resolving a problem, please contact one of the Consumer Resource Centers listed below.

The Attorney General is prohibited from acting as a private attorney on a complaint. If your complaint demands immediate legal action, you should consider private legal action in Small Claims Court (no attorney necessary) if your claim is under \$4,000. If your complaint involves more than \$4,000, you should seek a private attorney. You might also consider arbitration.

**CONSUMER RESOURCE CENTERS
OFFICE OF THE ATTORNEY GENERAL**

E-Mail protect@atg.wa.gov
Web site <http://www.wa.gov/ago/consumer>

Statewide (800) 551-4636 Voice
(800) 833-6384 Hearing Impaired

Bellingham (360) 738-6185
 Kennewick (509) 734-7140
 Olympia (360) 407-3400
 Seattle (206) 464-6684
 Spokane (509) 456-3123
 Tacoma (253) 593-2904
 Vancouver (360) 759-2150

CONSUMERLINE has taped information on a number of consumer related issues.
Residents in Washington can call **(800) 692-5082**.

The Attorney General's Office has a policy of providing equal access to its services.
If you need to receive the information in this brochure in an alternate format, please call (206) 464-6684.
The hearing impaired may call 1-(800) 833-6384 Statewide.



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Health Clubs

EXERCISE



YOUR RIGHTS

Consumer Resource Center
Office of the Attorney General
Christine O. Gregoire

Health Clubs

Who is Covered by the Health Club Law?

The state’s health club law covers most clubs that help people improve their physical condition or appearance through exercise.

Who is Not Covered?

There are some facilities which are NOT covered by the law. They are:

- ✓ Non-profit organizations that offer health club services as only a small part of their programs.
- ✓ Studios that offer exercise as a small part of a program to take off weight by dieting.
- ✓ Non-profit corporations that have members who elect a board of directors that controls the health club.
- ✓ Aerobics studios that existed before July 26, 1987, charge an initiation fee of less than \$50 AND sell memberships of one year or less.

“Pre-opening” Memberships

If you buy a membership in a club which has not yet opened, the law states that your contract must include the opening date of the facility. That date must be within 12 months of the date you signed the contract.

Any money you pay must be put in a trust account, and you must be told the location of the account. Instead of a trust, the club can carry a \$150,000 bond. If the club doesn’t open on the specific date, you are entitled to a full refund of your initiation fee. You can also cancel within the first five (5) business days the facility is open and is actually providing the services

listed in your contract. (Don’t count Sundays and legal holidays in the five days).

Purchasing Memberships

The health club must give you a written list of all its membership plans, with a description and price of each. The club cannot sell any membership that is not included on the list. Any “special offers” or “discount prices” the club is offering must be in writing.

It is illegal for a salesperson to make misrepresentations about the qualifications of the club’s staff, or about the type or quality of club facilities and services. A health studio cannot make untrue claims about the results you can obtain by using the club. And it cannot say that the number of members will be limited unless there is actually a limit.

Before Signing a Contract

1. READ YOUR CONTRACT CAREFULLY BEFORE SIGNING! Understand all cancellation and refund provisions as well as the duration of the agreement.
2. Do not sign any contract for a duration longer than any trial period you are offered unless you expect to use the club for the full length of the contract.
3. Before signing a contract, you should visit the club during the hours you expect to use the facility to determine whether the equipment and programs you’re interested in are available. Some clubs are so crowded during peak hours that it may be difficult to use some equipment or locker facilities.

Common Problems With Health Studios

While there are numerous reputable health clubs in Washington, many others have caused problems for consumers through unfair tactics such as:

- ✓ Using high-pressure sales pitches to try to embarrass or intimidate people into buying memberships.
- ✓ Offering low-cost “trial memberships,” then pressuring consumers into buying more expensive memberships when they try to use the low-cost plan.
- ✓ Making misrepresentations about the club’s facilities, staff and equipment.
- ✓ Making it difficult or impossible to cancel contracts despite claims to the contrary during sales presentations.
- ✓ Closing without warning, and in some cases, continuing to sell long-term memberships until they go out of business.

Your Cancellation Rights

Under the law, you can cancel a health club membership as follows:

- ✓ Within three (3) days after signing the contract you can cancel your membership for any reason. (Do not count Sundays and legal holidays in the three days.) After receiving your WRITTEN cancellation notice, the club has 30 days to refund your money.
- ✓ At any time during your membership, if your contract runs for more than a year, you can can-

cel by giving 30 days written notice. The club must give you a pro-rated refund of your initiation fee, but can subtract a set amount (up to 50%). If you signed a separate clause in your contract which states the initiation fee is non-refundable, you are not entitled to any money back, and you may be responsible to pay the rest of your initiation fee.

- ✓ If the member dies or becomes totally disabled, the membership can be cancelled. If the contract says part of the initiation fee is non-refundable, that amount can be subtracted from the pro-rated refund (up to 50% of the original fee). If you are cancelling more than three years after joining, you are not entitled to a refund of your initiation fee.
- ✓ If your contract is longer than one year, and you move more than 25 miles from the health club, you can cancel if no affiliated club within 25 miles of your new residence offers the same services to you at no additional charge.

The earliest you can cancel your membership is one year from the date you signed it. If you lived more than 25 miles from the club when you joined, you can cancel only if you move at least 5 miles further from the club.

You are entitled to a pro-rated refund of your initiation fee unless you signed a clause in your contract saying it was non-refundable. The club can keep up to half the fee when making the refund.

- ✓ If the health club permanently closes, and the owner does not have a comparable facility within 10 miles of the club, you can cancel and receive a pro-rated refund of your initiation fee.